

4-8-1976

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Recommended Citation

Antonides, Robert J., "The New Farm Definitions and Census Years" (1976). *Economics Commentator*. Paper 89.
http://openprairie.sdstate.edu/econ_comm/89

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Economics Newsletter

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No. 90

April 8, 1976

THE NEW FARM DEFINITIONS AND CENSUS YEARS

You don't know what a farm is? Neither do a lot of other people. And--it keeps changing! The definition of a farm has changed eight times since the first census in 1850. But, it does make some sense. For example, a farm in 1850 and 1860 was "any place producing \$100 or more of farm goods". By 1870, a small garden plot would provide this much in income. Successive changes have used acres, sales or combinations as definitions. With the 1959 census, a 3-acre cut-off was raised to 10 acres, but the larger farms were required to sell only \$50 worth of goods and the smaller ones \$250 worth.

The New Farm Definition

Starting with the 1974 census, a farm will be defined as: "any establishment from which \$1,000 or more of agricultural products is sold or normally would be sold during a year." Even this figure was a compromise as some wanted to see it go to \$2,000 or \$2,500, since it is still possible to sell that much in high-value products with not too much effort.

The net result will undoubtedly be a reduction in "farm" numbers far greater than the usual year-to-year decline. The number lost just by the change in definition is estimated to be between 16 and 20 percent since 1969, well below the "commercial farm" definition of \$2,500 in sales in recent censuses. Another slight difference may result from the last two censuses being taken by mail rather than by personal interviews.

Instead of the more recent censuses defining them as being classed as "commercial" - that is anything over \$2,500 from sales in general and then by the amount of the sales, and then further by classes of 1, 2, 3, etc., - they will now be classed as:

1. A PRIMARY FARM-one where the operator spends at least half of his

work time on the farm, or any farm operated by a corporation or multi-establishment firm which receives at least one-half of its gross business income from farming.

2. A PART-TIME FARM-where the operator spends less than one-half of his work time on the farm.

3. A BUSINESS-ASSOCIATED FARM-one operated by a corporation or multi-establishment company that receives less than one-half of its gross business income from farming.

4. ABNORMAL FARMS-same as the earlier definition - those operated by institutions such as hospitals or schools, or by Indian reservations or as experimental or research farms.

SOME NEW SALES GROUP classes have been added, too. With more farms selling \$100,000 or more now, they will be classed in categories of \$100,000 to \$250,000; \$250,000 to \$500,000; and \$500,000 and over.

All of these changes are supposed to provide more information on large corporations getting involved with farming; on part-time farms; to help show a truer picture of per-farm income; to get information on farm-generated incomes going to non-operator owners; and to help the Bureau of the Census distribute its work-load better and get the information out faster.

Changes in Farm Census Dates

Along with the changes cited above, there has been a change in the dates of taking the census. These, too, have been changed several times as noted. They have generally been taken every five years, except in the earlier years. In more recent years they have been taken on years such as 1940, 1945, and 1950. Then it was changed to 1954, 1959, 1964, and 1969. The last one was taken in 1974 (data not yet available), and there is a proposal to change them to years ending in 2 and 7 so that they will better coordinate with other economic census data, particularly the Economic Census of 1982. Thus the next Agricultural Census would be taken in 1978 rather than 1979 and then shift to 1982, followed by a census every five years thereafter. Perhaps unfortunately, these years do not jibe with Population Censuses taken every 10 years, such as 1950, 1960, and 1970.

In Summary

There has been a reclassification of what is called a "farm" and a revision

of when the censuses will be taken. Undoubtedly, there is bound to be some confusion and it cannot be avoided. But just because a particular farm is no longer listed as one, it will continue to receive any benefits to which it would otherwise be entitled.

The primary reason for some of the changes is to bring the data generated up to date with the times and present a clearer picture of just what is happening on the farm. There have been many rapid changes in the farming industry that were not adequately described under the old definitions and classifications. Included here are increasing concentration of production from larger units, the greatly increased importance of non-farm jobs and incomes, increased specialization on farms, and increased involvement in agriculture in one form or another by other types of firms.

Hopefully, the changes in the census definitions and dates will also help the rest of us analyze and understand the adjustments taking place in agriculture and assist in making better decisions about alternatives.

Robert J. Antonides, Extension Economist--Marketing

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